



STATE OF MICHIGAN

JENNIFER M. GRANHOLM
GOVERNOR

DEPARTMENT OF MANAGEMENT & BUDGET
LANSING

LISA WEBB SHARPE
DIRECTOR

November 7, 2005

The Honorable Shirley Johnson, Chairperson
Joint Capital Outlay Subcommittee
S-324 Capitol
Lansing, MI 48933

Dear Senator Johnson:

Section 304 of Public Act 10 of 2005, which provides for FY 05 capital outlay appropriations, requires that the Department of Management and Budget advise the Joint Capital Outlay Subcommittee of any refinancing that may be undertaken by the State Building Authority.

On October 26, 2005, the Authority completed the sale of its 2005 Revenue and Revenue Refunding Bonds, Series II. The par amount of the sale totaled \$242,805,000. It refunded two leases from the 2000 Revenue Bonds, Series I Authority bond issue. Pursuant to this refunding, the State of Michigan's rent obligation will terminate on the following projects:

DOC State Prison of Southern Michigan Reorganization Project – Phase II
Lake Superior State University Crawford Hall Addition and Remodeling

If you have any further questions concerning this transaction, please do not hesitate to contact my office.

Sincerely,

A handwritten signature in cursive script that reads "Deborah M. Roberts".

Deborah Roberts
Deputy Executive Director

cc: Representative David Farhat
Members of JCOS
Senate Fiscal Agency
House Fiscal Agency

Lisa Webb Sharpe
Mary Lannoye
Tim Hughes